

GAMBLING EXPENDITURE STATISTICS 1981 - 2005

Actual dollars (non-inflation adjusted) for gambling operators' financial year-end

	1981 \$m	1982 \$m	1983 \$m	1984 \$m	1985 \$m	1986 \$m	1987 \$m	1988 \$m	1989 \$m	1990 \$m	1991 \$m	1992 \$m	1993 \$m	1994 \$m	1995 \$m	1996 \$m	1997 \$m	1998 \$m	1999 \$m	2000 \$m	2001 \$m	2002 \$m	2003 \$m	2004 \$m	2005 \$m
RACING																									
Expenditure	106	127	140	152	164	181	211	220	232	230	222	203	198	199	209	211	217	220	225	227	224	228	234	239	247
Dividends	432	479	532	578	602	655	764	802	848	815	789	717	704	712	746	822	914	928	921	931	919	955	973	994	1026
Turnover	537	606	672	730	767	836	975	1022	1080	1045	1012	920	901	910	954	1034	1131	1148	1145	1158	1143	1182	1207	1232	1273
NZ LOTTERIES COMMISSION																									
Expenditure	26	28	28	39	40	40	38	95	194	252	246	250	247	270	275	281	285	288	288	277	268	251	239	282	280
Prizes	37	41	42	58	61	58	60	124	239	292	288	305	311	338	348	344	348	351	356	348	337	309	301	347	350
Turnover	62	68	70	97	101	98	98	219	433	544	534	556	558	608	623	626	633	639	644	625	606	561	540	629	630
GAMING MACHINES (outside Casinos)																									
Expenditure											107	110	122	145	171	197	230	292	360	450	597	777	941	1035	1027
CASINOS																									
Expenditure															40	117	241	245	294	343	369	410	457	484	472
TOTAL																									
Expenditure	132	155	168	191	204	221	249	315	426	482	575	563	567	614	695	806	973	1045	1167	1297	1459	1667	1871	2039	2027

CAVEAT: This table must be read in conjunction with the explanations page.

DISCLAIMER: The Department of Internal Affairs has compiled these statistics largely using information from gambling operators and 3rd party sources. Different information sources have been cross-checked against each other as an aid to accuracy. Nevertheless the Department takes no responsibility for any decisions made on the basis of these statistics.

EXPLANATIONS

(the Department's *Gambling Expenditure Statistics 1981-2005* table must be read in conjunction with this page)

Turnover is the total (gross) amount wagered by gamblers. This figure is published by the Lotteries Commission and by the TAB for the racing industry. It includes a "churn" factor, or re-investment, where the same dollar is counted more than once. This is particularly relevant for rapid re-investment forms of gaming like gaming machines or race betting. E.g. if a player has \$20 to spend on a gaming machine and plays until the full \$20 is lost it is likely that this \$20 will be recorded on the machine's meters as \$120 or more of turnover (gross amount wagered). Turnover is not an indicator of the amount spent by players or of the profit of the operator.

Expenditure and **Gross Profit** are interchangeable terms that mean gross amount wagered minus the amount paid out or credited as prizes or dividends. Expenditure is the amount lost or spent by players or the gross profit of the gaming operator. In the above example, the gross profit calculated by the machine meters will be \$20.

Financial year-end: Most gambling operators have a balance date of 30 June. Where the balance date differs (e.g. racing at 31 July) the figures shown are as at the balance date.

Racing data include the introduction of new products, namely from 1996 inclusive fixed odds & totalisator sports betting and from 1997 inclusive fixed odds race betting. Sports betting turnover included in the turnover totals was 1996: \$4.8m; 1997: \$33.8m; 1998: \$50.0m; 1999: \$61.2m; 2000: \$66.5m; 2001: \$67.0m; 2002: \$104.9m; 2003: \$114.4m; 2004: \$104.9m; 2005: \$99.9m. Data for 1996 and onwards are therefore not strictly comparable with previous years.

NZ Lotteries Commission figures for 1989 are for 15 months, as its financial year-end changed from 31 March to 30 June.

Gaming machine and casino data are estimated using aggregate gaming duty figures plus information collected by the Department. The duty rate of 20% is used to estimate gaming machine expenditure. Gaming machine turnover is calculated by applying a percentage return to players to the expenditure estimate, of 83% from 1989 - 1991, 85% 1992-1996 and 88% from 1997 inclusive resulting in turnover or gross amount wagered for 1991: \$632m; 1992: \$732m; 1993: \$815m; 1994: \$965m; 1995: \$1,138m; 1996: \$1,313m; 1997: \$1,913m; 1998: \$2,400m; 1999: \$3,000m; 2000: \$3,747m; 2001: \$4,978m; 2002: \$6,478m; 2003: \$7,845m; 2004: \$8,625m; 2005: \$8,558m.

Casino estimated gross amount wagered for 1995: \$313m; 1996: \$914m; 1997: \$1,883m; 1998: \$1,914m; 1999: \$2,297m; 2000: \$2,858m; 2001: \$3,075m; 2002: \$3,417m; 2003: \$3,805m; 2004: \$4,033m; 2005: \$3,936m. 1995 includes a part year trading by Christchurch Casino, 1996 by Sky City Auckland, 2000 by Queenstown's Wharf Casino and the Dunedin Casino, 2001 by Sky City Queenstown, and 2003 by Sky City Hamilton.

Totals may differ from the sum of column entries due to rounding.

(Revised 11 January 2006 – Gaming, Racing and Censorship Policy)